

Conectiv Thermal Systems, Inc.  
Consolidated Balance Sheet  
(Dollars in Thousands)  
(Unaudited)

As of September 30,  
2003

**ASSETS**

**Current Assets**

Cash and cash equivalents	*
Accounts receivable	*
Inventories, at average cost	
Fuel (coal, oil and gas)	*
Materials and supplies	*
Income tax benefit receivable	*
Other prepayments	*
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**Investments**

Funds held by trustee	*
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**Property, Plant and Equipment**

Property, plant and equipment	*
Less: Accumulated depreciation	*
Net Plant	<hr/>
Intangibles	*
Construction work-in-progress	*
	<hr/>

**Deferred Charges and Other Assets**

Unamortized debt expense	*
Other	*
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**Total Assets**

\*

**LIABILITIES AND OWNER'S EQUITY**

**Current Liabilities**

Accounts payable	*
Accounts payable to associated companies	*
Interest accrued	*
Notes payable to associated companies	*
Other	*
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**Deferred Credits and Other Liabilities**

Pension and OPEB	*
Deferred income taxes, net	*
Other	*
	<hr/>

**Capitalization**

Additional paid-in capital	*
Retained deficit	*
Conectiv money pool loan	*
Total equity	<hr/>
Variable rate demand bonds <sup>(1)</sup>	*
Total capitalization	<hr/>

**Total Capitalization and Liabilities**

\*

<sup>(1)</sup> Classified as current liability for external reporting

\* Filed under request for confidential treatment pursuant to Rule 104(b) of the Public Utility Holding Company Act of 1935.

**Conectiv Thermal Systems, Inc.**  
**Consolidated Statements of Income**  
**(Dollars in Thousands)**  
**(Unaudited)**

**Nine Months**  
**Ended September 30, 2003**

<b>OPERATING REVENUES</b>	* <hr/>
<b>OPERATING EXPENSES</b>	
Cost of sales	*
Operation and maintenance	*
Depreciation and amortization	*
Taxes other than income taxes	* <hr/>
	* <hr/>
<b>OPERATING INCOME</b>	* <hr/>
<b>OTHER INCOME</b>	* <hr/>
<b>INTEREST EXPENSE</b>	
Interest charges	*
Allowance for borrowed funds used during construction and capitalized interest	* — *
	*
<b>INCOME BEFORE INCOME TAXES</b>	*
<b>INCOME TAXES</b>	* <hr/>
<b>NET INCOME</b>	* <hr/>

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